



GARY R. HERBERT  
Governor

GREGORY S. BELL  
Lieutenant Governor

# State of Utah

## DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER  
Executive Director

### Division of Oil, Gas and Mining

JOHN R. BAZA  
Division Director

C0070039  
Outgoing  
#4322  
OK

June 24, 2013

Dave Spillman  
Canyon Fuel Company, LLC  
P.O. Box 1029  
Wellington, UT 84542

Subject: 2012 Annual Report Review Completion, Dugout Canyon Mine, C/007/0039, Task ID #4322

Dear Mr. Spillman:

The Division staff has completed the review of the 2012 Annual Report. Enclosed is a copy of the review with each reviewer's comments.

Thank you for your diligence in completing the Annual Report. If you have any questions, please call me at (801) 538-5325.

Sincerely,

Daron R. Haddock  
Coal Program Manager

DRH/sqs  
Enclosure  
O:\007039.DUG\WG4322\ReviewCompletionLetter.doc



[Print Form](#)[Submit by Email](#)[Reset Form](#)

## Annual Report

This Annual Report shows information the Division has for your mine. Submit the completed document and any additional information identified in the Appendices to the Division by the date specified in the cover letter. During a complete inspection an inspector will check and verify the information.

### GENERAL INFORMATION

Company Name	Canyon Fuel Company, LLC	Mine Name	Dugout Mine
Permit Number	C/007/0039	Permit expiration Date	3/17/2018
Operator Name	Same	Phone Number	+1 (435) 637-6360
Mailing Address	P O Box 1029	Email	dspillman@archcoal.com
City	Wellington		
State	Utah	Zip Code	84542

### DOGM File Location or Annual Report Location

Excess Spoil Piles

- ☐ Required  
☒ Not Required

Refuse Piles

- ☒ Required  
☐ Not Required

Impoundments

- ☒ Required  
☐ Not Required

Other:

### OPERATOR COMMENTS

### REVIEWER COMMENTS

☒ Met Requirements ☐ Did Not meet Requirements

The permittee met the requirements for inspections of impoundments and refuse piles. (SJD)

Page 8 of the 2012 Annual Report provides the annual certification for the refuse pile dated April 2, 2013. In 2012 the site received 63,787 tons. The volume placed was certified at 1,140,174 ft<sup>3</sup>. or 42,229 yd<sup>3</sup>.

Remaining capacity at the site is 157,756 Tons @ 112 lbs/ft<sup>3</sup> or 2,817,069 ft<sup>3</sup> (or 104,335 cu yds).

The quarterly reports indicate that the refuse site was inactive in the first, third and fourth quarters of 2012. [PWB 6/18/2013]

## COMMITMENTS AND CONDITIONS

The Permittee is responsible for ensuring annual technical commitments in the Mining and Reclamation Plan and conditions accepted with the permit are completed throughout the year. The Division has identified these commitments below and has provided space for you to report what you have done during the past year for each commitment. If additional written response is required, it should be filed as an attachment to this report.

### **Title: ANNUAL RAPTOR SURVEYS**

**Objective:** To obtain baseline data prior to mining disturbances including subsidence of cliff habitat and any surface disturbances (construction, reclamation, or exploration). Conduct follow-up surveys within one year if nests were observed during the baseline surveys and if the nest or raptors could be impacted from mining (subsidence or proximity to surface facilities).

**Frequency:** Annually

**Status:** Ongoing

**Reports:** Annual

**Citation:** MRP, Volume 2, Chapter 3, Section 322, Page 3-13

Operator Comments

See Appendix C.

Reviewer Comments    ☒ Met Requirements                      ☐ Did Not Meet Requirements

Reviewed by Ingrid Campbell (5/17/2013); The annual raptor survey was conducted by Dr. Pat Collins of Mt. Nebo Scientific in late may 2012. Some ravens were observed but no hawks or eagles were identified at any of the known nest locations or in the surrounding area.

### **Title: SUBSIDENCE MONITORING VISUAL INSPECTIONS**

**Objective:** To check for surface subsidence features.

**Frequency:** Annually

**Status:** Ongoing

**Reports:** Annual

**Citation:** MRP, Volume 3, Chapter 5, Section 525.100, page 5-29

Operator Comments

See Appendix C.

Reviewer Comments    ☒    Met Requirements                      ☐    Did Not Meet Requirements

Reviewed by James Owen. Updated subsidence data was included with the subsidence map and report. No significant subsidence was recorded for 2012. The Subsidence monitoring locations plotted in relation to mining activities. Additional soil was added by shovel into the subsidence cracks that were previously repaired during the reclamation of the G-7 pad in 2009. One additional crack was located during the inspection, however the Operator reported that it was not a new crack, just one that had not been located before (JCO).

**Title: WASTE ROCK SAMPLING**

**Objective:** To protect ground and surface water and potentially substantiate lesser cover at the waste rock site.  
**Frequency:** One sample per 5,000 cubic yards taken to the waste rock site. Acid/toxic material to be buried within 30 days and should be compacted, and isolated from water infiltration.  
**Status:** Ongoing. **Please indicate the volumes or tonnage placed during the year into the refuse pile and the remaining capacity in the pile.**  
**Reports:** Annual report, and to be included in RA attachment 5-4.  
**Citation:** MRP, Chapter 5, Section 513.400, Section 528.300, Section 536 and Refuse Pile Amendment Volume, Section 536.200

Operator Comments

See Appendix C.

Reviewer Comments    ☒    Met Requirements                      ☐    Did Not Meet Requirements

Eighteen analyses were included in the annual report. They were received at Inter-Mountain labs on May 8, 2012, August 15, 2012 and September 28, 2012. (These 2012 analyses have not been added to Refuse Volume Attachment 5-4.) There were 18 samples (representing 63,787 tons or 42,187 cu yds (density 112 lbs/ft3). The samples were taken in the 2nd and 3rd quarters. These 2012 analyses indicate that the waste is non-toxic/non-acid forming. [PWB, 6/18/2013]

**Title: SEALING OF WELLS**

**Objective:** Permanent casing and sealing of wells when no longer in use.  
**Frequency:** Once upon termination of use.  
**Status:** N/A  
**Reports:** Report on status of wells  
**Citation:** Chp. 6, Section 631, Chp. 7, Section 765

Operator Comments

Degas Wells G-2 thru G-7 , G-9 thru G-14, G-16, G-18, G-19, G-22, G-25, G-26, G-30, G-31are sealed.

Reviewer Comments   ☐   Did Not Meet Requirements   ☒   Met Requirements

Reviewed by Amanda Daniels. During inspections on 11/29/2012 and 8/1/2012 the division was able to verify that the wells listed above are sealed.



## FUTURE COMMITMENTS AND CONDITIONS

The following commitments are not required for the current annual report year, but will be required by the permittee in the future as indicated by the "status" field. These commitments are included for information only, and do not currently require action. If you feel that the commitment is no longer relevant or needs to be revised, please contact the Division.

<b>Title: OVERBURDEN SAMPLING AND ANALYSIS</b>
<b>Objective:</b> Generate quality substitute topsoil
<b>Frequency:</b> At Final Reclamation
<b>Status:</b> long term
<b>Reports:</b> at final reclamation
<b>Citation:</b> MRP, Chapter 2, Section 224, Section 233.100, .300, and .400.
<b>Title: NUTRIENTS AND AMENDMENTS</b>
<b>Objective:</b> Establishment of vegetation
<b>Frequency:</b> At final reclamation
<b>Status:</b> Long term
<b>Reports:</b> At final reclamation
<b>Citation:</b> MRP, Chapter 2, Section 243; Refuse Pile Amendment Volume, Section 243.

<b>OPERATOR COMMENTS (OPTIONAL)</b>
<b>REVIEWER COMMENTS</b>

## REPORTING OF OTHER TECHNICAL DATA

Please list other technical data or information that was not included in the form above, but is required under the approved plan, which must be periodically submitted to the Division.

Please list attachments:

Reviewer Comments

The Permittee has successfully implemented the required water monitoring plan. The required water monitoring data was submitted on time to the electronic water monitoring database during this calendar year.

# MAPS

Copies of mine maps, current and up-to-date, are to be provided to the Division as an attachment to this report in accordance with the requirements of R645-301-525.240. The map copies shall be made in accordance with 30 CFR 75.1200 as required by MSHA. Mine maps are not considered confidential.

Map Name	Map Number	Included		Confidential	
		Yes	No	Yes	No
Annual subsidence map	Appendix C	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mine Map - Gilson Seam	Appendix B	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
Mine Map - Rock Canyon Seam	Appendix B	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

Reviewer Comments ☒ Met Requirements ☐ Did Not Meet Requirements

Please note that mine maps are not considered confidential as specified by R645-300-124.300.